

BOARD OF SUPERVISORS

GILA COUNTY, ARIZONA

Date: May 24, 2005

JOSÉ M. SANCHEZ

Chairman

STEVEN L. BESICH

Clerk of the Board

TOMMIE C. MARTIN

Vice-Chairman

By: Marilyn Brewer
Deputy Clerk

SHIRLEY L. DAWSON

Member

Gila County Courthouse
Globe, Arizona

PRESENT: Jose M. Sanchez, Chairman; Tommie C. Martin, Vice-Chairman; Shirley L. Dawson, Member; Steven L. Besich, County Manager/Clerk; Marian Sheppard, Chief Deputy Clerk; and, Bryan Chambers, 2nd Chief Deputy County Attorney.

The Gila County Board of Supervisors met in Regular Session at 10:00 a.m. this date. Steve Besich led the Pledge of Allegiance and Steve Burk of the Globe LDS Ward 1 delivered the Invocation.

Linda O'Dell, School Superintendent, requested the Board's canvass of the May 17, 2005, Whiteriver Unified School District Special Budget Override Election results. She distributed official results of the election to the Board showing a summary of school districts of the consolidated elections of Gila/Navajo Counties, along with a summary of precinct by precinct voting, and then provided a brief overview. Ms. O'Dell stated that the Whiteriver School District Administrative Offices are located in Navajo County, but two of the Whiteriver School District precincts are located in Gila County. She advised that Dixie Mundy, Elections Director, and her staff worked with the Navajo County elections staff, while she worked with the Navajo County School Superintendent. Ms. O'Dell was proud to state that Gila County had a higher percentage of voter turnout than Navajo County. On behalf of the Board,

Chairman Sanchez thanked Ms. O'Dell for her presentation. Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board unanimously approved the results of the canvass and declared the May 17, 2005, Whiteriver Unified School District Special Budget Override returns official. **(A copy of the election results is permanently on file in the Board of Supervisors' office.)**

Dixie Mundy requested the approval of a Memorandum of Understanding/Contract for Help America Vote Act (HAVA) between the State of Arizona, by and through the Secretary of State, and Gila County for the remaining HAVA monies to be used for the purchase of the federally mandated voter registration system and the accessible voting system. Ms. Mundy stated that this is the second phase of the application process to the Secretary of State for HAVA monies. In 2003, the first phase was the acquisition of the optical scan voting system. This second phase consists of two parts, both of which are in this same Contract: 1) the acquisition of a touch-screen voting system for each voting precinct in Gila County, and 2) the acquisition of Voter Registration Arizona, which is under the purview of the Gila County Recorder's Office. She stated that this Contract is to be entered into by all fifteen counties in Arizona, and even if a county does not enter into the Contract, there is still an obligation to provide the touch screen voting system by 2006. Ms. Mundy stated that upon approval by the Secretary of State, the facilitator and distributor of the funds, the County will receive the equipment, provide training, and be operating by September 2006. She explained each component of the Contract to the Board. Ms. Mundy then passed out a copy of the Secretary of State's plan to the Board, which is an outline of the Secretary of State's implementation for the replacement of the punch card voting systems. She stated that the County will own the equipment with a maintenance agreement and warranty for a period of one year. After the one year expiration, the County will be responsible for any future maintenance. At this time, Ms. Mundy called on Nancy Duke, Chief Deputy Recorder, to explain Voter

Registration Arizona. Ms. Duke stated that Linda Ortega, Gila County Recorder, serves on the Advisory Board for implementing this new system known as the VRAZ (Voter Registration Arizona) system. She stated that because of the County's dependence on maintenance of this system, Gila County is set to become one of the pilot programs. The smaller counties will integrate the system into the new software until completed; the larger counties of Maricopa and Pima will be the final recipients as those counties are not using the software, but rather are implementing this program into their entire system. Ms. Duke stated that upon completion of the project, all equipment will belong to the County. She stated, *"Maintenance and support of the equipment will be the responsibility of the County. We've had some concern with the responsibility of the Recorder and the Board of Supervisors' compliance on reporting requirements, so they are requesting additional support for preparation of what we're going to require as a County and that has to be approved by the Secretary of State. The Secretary of State will require that they can come in at any time and audit. If we miss one of their points of compliance, we will have to reimburse the State if not completed. We don't anticipate having any problems."* Ms. Duke stated that the County is now integrated into the VRAZ system, with the Secretary of State setting mile markers and keeping the County in compliance. She stated that with the new procedures, there will be a lot more consistency throughout the State. Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously approved the Memorandum of Understanding/Contract for HAVA.

Sally Bender, Executive Director, and Craig Sullivan, Deputy Director, of the County Supervisors Association (CSA) of Arizona, spoke to the Board on Arizona legislative activities. Ms. Bender stated that she and Mr. Sullivan are visiting all of the counties to give a tailored presentation for each county. She was quite pleased with how the counties fared in this year's legislative session and felt that it was because of the Supervisors' involvement including attendance at meetings and visitations with the legislators. Her staff is

presently completing an 'End of Session' report which should be available next week and will be given to all of the Supervisors. Ms. Bender stated that a retreat is planned for September, which will set the future path for CSA and to review what has been accomplished since the last retreat was held five years ago. The purpose of the retreat will also be to set in place the criteria for a legislative package in order for CSA to be more effective than in the past, and to better strategize future efforts. Ms. Bender then called on Craig Sullivan, who gave a PowerPoint presentation of legislative activities to the Board. Mr. Sullivan stated that CSA is a research and advocacy organization that works in support of Arizona's counties and the Legislature. He stated that his presentation today would include two items: 1) how CSA did during this year's legislative session on its key priorities, and 2) issues that are important to this Board and its constituents. Mr. Sullivan began his presentation by explaining that CSA's Board consists of 55 elected Supervisors from all over the State that ultimately make the decisions for CSA. On a regular basis there is a Legislative Policy Committee (LPC) which has one representative from each county; Supervisor Dawson is the representative for Gila County. This Committee meets regularly to review policies, review analysis by staff and make recommendations on how to engage key issues at the Legislature. He then explained CSA's policy guidelines, which are used to ensure that County interests are being looked after when evaluating legislative proposals, questions considered are: 1) does it preserve local control; 2) does it ensure that resources are available to finance critical public programs; 3) does it allow counties to solve their own problems using existing implied powers; and, 4) does it make sure that State shared revenues are still available to finance critical public services for county constituents? Based on these guidelines, two key legislative goals were developed, as follows: 1) address county fiscal priorities because the State Legislature in the last few years in attempting to balance its budget has shifted significant costs to local government, particularly counties, so this is a top priority to move items for funding from

the counties back to the State, and 2) secure the passage of county-initiated, CSA supported legislative proposals to improve local governments. Mr. Sullivan then spoke on CSA's fiscal priorities, as follows:

- Sunset the County Contribution Fund. This costs Gila County taxpayers \$202,000.
- Sunset the County Transportation Contribution Fund. This costs Gila County taxpayers \$568,000. This Fund and the one listed above were put into place two years ago by the State to help the State balance its budget, but will end on June 30, 2005. Those funds will then be available for the counties' use.
- Protect Highway User Revenue Funds (HURF) from diversion, which eliminates the amount of funds for each county's highways. Recently these funds have been used by the State for the operation of the Department of Public Safety (DPS), which was previously funded from the General Fund because it is a State liability and commitment. The HURF funds are supposed to be used for transportation and road building only, and by the diversion of these funds it creates a net loss to the investment in county highways. CSA was able to work with legislators to lower the initial proposed amount of \$3.7 million being diverted into DPS down to \$1.4 million for all counties, which is a \$23,000 impact on Gila County. CSA's goal is to get this amount reduced to zero.
- Increase State Share for Restoration to Competency. A few years ago this was 100 percent funded by the State, and gradually it was changed to the point where counties were funding 86 percent last year. CSA was successful in getting this changed to where both county and State will now fund 50 percent. This will create a savings of \$5,000 to Gila County.
- Protect Proposition 204 Hold-Harmless. This was put into place in relation to the Healthy Arizona/Healthy Families Proposition several years ago. The Legislature made a commitment to counties to hold the counties harmless when this was implemented. It cost approximately \$4.8 million and then the

State tried to divert those costs, but through CSA's work this remains in the State budget where it belongs.

- Protect State payments for the Arizona Long Term Care System (50% of growth) for rural counties. This issue remains funded at 50% by State and county and will continue to be watched by CSA.
- Eliminate payments to Disproportionate Uncompensated Care (DUC) pool. Several years ago the counties contributed some funds to this program; however, the program no longer exists and it is still being funded by the counties. It's currently being used to fund General Fund shortfalls and Arizona Health Care Cost Containment System right now. Last year it cost Gila County taxpayers \$66,000. It is CSA's goal to eliminate this cost next year.

In addressing CSA's legislative goals, the first goal is to address county fiscal priorities. Mr. Sullivan addressed Supervisor Dawson's concern on the summer youth employment programs. He stated there was a line item in the budget of \$650,000 for the counties; of that amount \$8,000 came to Gila County; however, the Legislature cut those dollars so they are no longer available. The second legislative goal is to secure passage of county-initiated, CSA-supported legislation, which includes the following bills: Senate Bill (SB) 1312A - County Jail Districts and Audits; House Bill (HB) 2211 - Fire District Bonds; HB 2281 - Special Taxing Districts; and, HB 2364 - County Development Rights. Mr. Sullivan also spoke on the following legislative issues: property tax legislation, water legislation, land use legislation, courts and criminal justice, elections, general government, law enforcement/emergency services, and retirement & personnel. Mr. Sullivan also explained CSA's policy development process. On behalf of the Board, Chairman Sanchez thanked Mr. Sullivan and Ms. Bender for their presentations and thanked them for the services they provide to rural counties. He inquired as to the person responsible for Rural Water Committee appointments. Mr. Sullivan stated that per statute, the President of the Senate

selects one county person, and the Speaker of the House selects the other. Chairman Sanchez stated that in reference to the property tax legislation, in reducing the assessment for class 1 properties over this 10-year period, it increases State aid for homeowners and then he questioned if this in the form of a rebate to homeowners. Mr. Sullivan stated that there is currently in place the Homeowner's Rebate where the rebate is 35% of their school related property taxes. What the Legislature has chosen to do, to mitigate any possible tax shifts to homeowners, is increase the amount of the rebate, so as they lower the assessment ratio of business property tax, the amount of the rebate to homeowners is being increased. That will cost the State General Fund \$10 million more in homeowner's rebates during the next fiscal year. Supervisor Dawson also thanked Ms. Bender and Mr. Sullivan for the work they do for the rural counties. Vice-Chairman Martin stated that she also appreciates the County staff that work with CSA.

At 10:59 a.m. a public hearing was held to adopt Resolution No. 05-05-07 authorizing the submission of an Application for FY 2005 State Community Development Block Grant funds and implementation as outlined in said Application. Malissa Buzan, Housing Services Program Manager, stated that low income, owner-occupied-housing rehabilitation was chosen as the County project for this grant, with a list of forty people on the waiting list. She stated the County addresses health and safety issues in owner-occupied homes, which allows the elderly to remain in their homes longer rather than having to enter a nursing home. Ms. Buzan stated that the County has held three public hearings, one in Payson and two in the Globe-Miami area, for community input as to which projects to select. At this time, Chairman Sanchez asked for public comment; none was offered. Chairman Sanchez closed the public hearing and asked for comments from the Board. Vice-Chairman Martin inquired if once the funds are received and spent, would it be possible to turn this into some type of presentation for the public, without compromising people's privacy. She stated, "*What we do in Gila County is an untold story.*" Ms. Buzan stated

that she would be glad to put a presentation together similar to what she does for other entities or produce a flyer which would include photographs.

Chairman Sanchez stated, *“The Board has talked a lot about alleviating slum and blight and addressing urgent needs that relate to our County, so this fits in with the things the County is trying to do.”* Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board unanimously adopted Resolution No. 05-05-07. **(A copy of the Resolution is permanently on file in the Board of Supervisors’ office.)**

David Fletcher, Director of the Division of Health and Community Services, requested the approval of an Intergovernmental Agreement (IGA) between the Gila County Division of Health and Community Services/Tobacco Free Environments Program and Holy Angels School, as well as seven Gila County School Districts, as follows: 1) Globe Unified School District; Hayden/Winkelman School District; Miami Unified School District; Payson Unified School District; Pine School District; Tonto Basin School District; and, Young Public School District. Mr. Fletcher then called on Christine Rocha, Program Coordinator, to explain the program to the Board. She stated that the Tobacco Free Program is in its ninth year of operation. Tobacco use prevention was one of the areas focused on in the past year, and this year the fourth grade teachers were asked to provide the curriculum toward that effort, a copy of which was handed out to the Board. She stated, *“This is a capacity building model although we still have the staff model.”* Ms. Rocha explained that the staff model consists of three health educators in northern Gila County and two in southern Gila County who worked with youth coalitions as peer educators to go into the classroom and provide education on the harms of tobacco to the sixth grade students. With the capacity building model, the fourth grade teachers have been trained to provide the ‘Get Real about Tobacco’ program curriculum. This program also includes money incentives for the students giving them the opportunity to visit the Halle Heart Center or the Hall of Flame Museum to meet with fire fighters and talk about fire prevention and tobacco

fires. Other teachers wish to provide hydrating units for hiking on field trips to encourage physical activity, and the County would purchase those units. She stated the IGAs being presented explain how the funds will be spent, how the teachers will be trained, and the curriculum that will be used. Chairman Sanchez inquired if the IGAs are for different amounts. Ms. Rocha replied that the IGAs do have different amounts because of the number of fourth grade classes per school district. She cited the example of the Globe School District having six fourth grade classes so they will receive more funds; the Young School District has no fourth grade classes this year so their funding will be used for the fifth and sixth graders. The amount of money per classroom will be the same in each District. Vice-Chairman Martin stated that from a survey of youth done by the Arizona Criminal Justice Commission, there is an interesting correlation between the dropout rate and low achievement rates tied to tobacco use. She also stated that an interview with eighth, tenth, and twelfth grade students showed that the eighth graders are more inclined to use tobacco and alcohol. The survey showed that Gila County fell to 'greater than average' at risk across the board and 'greater than average' in tobacco and alcohol use. Vice-Chairman Martin stated that she is glad to see these concerns being addressed. Ms. Rocha stated they have chosen to target the fourth and sixth graders to educate and to give them a prevention message so they can make better choices as they get older. She concluded her presentation by reading a poem written by a fourth grader for the program. Chairman Sanchez thanked Ms. Rocha for her presentation. Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously approved the IGAs as referenced above.

Marian Sheppard, Chief Deputy Clerk of the Board, requested the approval of an application for a Series 10 Liquor License, Gila County Order No. 05-04, submitted by Terrence Watson for the Cherry Creek Store located in Young, Arizona. She stated that this application is for a person to person transfer of a bar license with an interim permit to operate. The application has

been reviewed by other County departments to ensure that all permitting requirements have been met. Ms. Sheppard advised that there were some problems in complying with ADA (American Disability Act) requirements and she asked the Chairman to call on Joe Mendoza, Community Development Division Director, to address that issue. Mr. Mendoza said that Mr. Watson is working with his department to resolve those issues. Ms. Sheppard then recommended approval of the application and stated that the application will be forwarded to the State Department of Liquor Licenses and Control for final review and approval. Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board unanimously approved the Liquor License Application.

Steve Stratton, Public Works Division Director, requested the approval of Proposal No. P3599.05 between Gila County and Westland Resources, Inc. in the amount of \$6,500.00 for the Status Species Survey for the Southwestern Willow Flycatcher. Mr. Stratton stated that Kathy Whitman of Westland Resources, Inc. previously met with the Board, at which time conducting this survey was discussed along with the 404 permitting process the County needs in order to repair dikes along the creeks at Tonto Basin, Pinal Creek and Pinto Creek. Due to a time issue, Mr. Stratton separated the two issues into the Southwestern Willow Flycatcher Proposal and the 404 Permitting, which was done after the fact. There is only one time during the year that this survey can be done and Westland employees are now in the process of conducting the survey for the mining companies. Mr. Stratton advised that this was an opportune time to enter into a contract with Westland. The proposal amount shall be no more than \$6,500 and the actual expenses when the job is completed will be billed to the County. He advised that by “coat-tailing” with the mines on travel and daily expenses, the costs will be shared. Mr. Stratton requested the Board’s approval after the fact so that when the bill is received, Westland will be paid. Supervisor Dawson inquired if there is only one time a year when the Southwestern Willow Flycatchers are in the area. Mr. Stratton

stated that Ms. Whitman told him that the survey must be conducted now or it can be done a year from now; he felt it was in the County's best interest to move forward at this time. Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously approved Proposal No. P3599.05 between Gila County and Westland Resources, Inc. in an amount not to exceed \$6,500.00 for the Status Species Survey for the Southwestern Willow Flycatcher. Mr. Stratton stated that he failed to mention that there are two potential habitat areas, Gisela and Tonto Basin, which are the areas being studied.

Mr. Stratton requested the approval of a Proposal No. P3572.05 between Gila County and Westland Resources, Inc. in an amount not to exceed \$60,000.00 for Clean Water Act 404 Support Services. Mr. Stratton stated this is another part of the same proposal and is capped at an amount not to exceed \$60,000.00 for services unless there were extraordinary circumstances that would need to be brought back to the Board. This would include the support needed in getting 404 permitting for all of the areas recently toured that would begin at Wheatfields and end at Gisela and include the many areas in between. Mr. Stratton stated that he was extremely impressed when he and his staff went on the field trip with Ms. Whitman as the company is very diligent in its efforts, very cost conscious, and on the walk-through, many suggestions were made that could save the County a significant amount of money. Vice-Chairman Martin stated she understands the study will cover entire reaches of all the creeks, but wondered if the areas being studied would be fairly targeted. Mr. Stratton stated that the locations where the dikes are actually breached will be targeted as those areas are in the most danger. He stated there are issues in the waterway itself and work may have to be done on an hourly rate because the issues vary greatly in nature making it difficult to estimate the cost. Chairman Sanchez stated this should also help answer some of the questions for the residents of Gisela and Tonto Basin. Mr. Stratton reminded the Board that this will be a lengthy process, not a quick fix, and the citizens

should be made aware of that fact. Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board unanimously approved Proposal No. P3572.05 between Gila County and Westland Resources, Inc. in an amount not to exceed \$60,000.00 for Clean Water Act 404 Support Services.

Mr. Stratton requested that the Board declare a Rosco TT6943 chipspreader (with attachment) as surplus equipment. He stated that this was something he had hoped to deal with later, but an opportunity presented itself to remedy the County of a “bad situation”. He stated the County employees have had an extreme amount of trouble with the chipspreader this season which resulted in another chipspreader being rented that was located in Bagdad, Arizona, at \$150 per hour and another one locally for \$100 per hour. Mr. Stratton stated, *“On the first day after going completely through the machine, it ran for ten feet and then quit leaving oil trucks and people on standby.”* Mr. Stratton stated that the County has received no support from the dealer, and since purchasing this machine, Rosco was restructured and the County was handed over to two other companies that have provided no support. He stated that the automatic function on the machine has been bypassed and it is now working on a manual function whereby a lot more chips are used creating even more problems which is not a good use of tax dollars. Mr. Stratton stated that Mr. Heck Ramsey from Ritchie Brothers Auction believes this is good time to auction the chipspreader and in working with Mr. Ramsey, the auction rate was reduced from 14% to 10%. Mr. Stratton stated that he is asking two things of the Board: 1) to declare the chipspreader as surplus so it can be put into the auction; and, 2) to ratify the Chairman's signature on the Agreement subject to the County Attorney's approval. He stated that he had to break procedure on this as he had to make a commitment by last Friday or the chipspreader would not have been pictured in the auction brochure. Mr. Ramsey felt it was very critical to have a picture in the brochure, and if that wasn't feasible, he advised to wait on the sale as it would have cost \$40,000 without the picture in the brochure. The auction is

scheduled for June 20th and Mr. Stratton recommended that the chipspreader be sold. He advised that another request will be presented to the Board for the purchase of a Bearcat chipspreader, which is the type that was rented in the past and stands up well. Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board unanimously declared the Rosco TT6943 chipspreader (with attachment) as surplus equipment. (Note for the record: The Board did not approve the ratification of the Chairman's signature on any agreement as that request was not included in the agenda item.)

Mr. Stratton presented information to the Board concerning the Christopher Creek Transfer Station. He stated that the County currently has five transfer stations (Christopher Creek, Young, Tonto Basin, Roosevelt and Gisela) which he has discussed with the Board in the past. In reference to the Christopher Creek Transfer Station, he stated that there are currently three private haulers in that area so the County is not only competing with private enterprise but losing money as well. Mr. Stratton stated that on average this Transfer Station has 5-6 customers per week. He stated, *"Everyone using the two landfills is subsidizing these stations at the rate of \$35 per customer, and it is not cost effective."* He then requested permission to close the Christopher Creek Transfer Station effective June 30, 2005. He stated that there are private entities interested in bidding on some of the other transfer stations and once the County is relieved of all these transfer stations, he will come back to the Board to request a reduced rate of \$1.00 per ton at the Buckhead Mesa and Russell Gulch Landfills. Vice-Chairman Martin inquired if the Christopher Creek station is being sold or just closed. Mr. Stratton replied that the Transfer Station is being closed as there is no interest by the private sector to purchase the Transfer Station. He requested a closure date of June 30th in order to allow the County time to notify customers who use the station so they can make other arrangements. Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously approved closing the Christopher Creek Transfer Station effective June 30, 2005.

Mr. Stratton presented information to the Board regarding the ‘Slow, Children Playing’ sign on Sanders Drive in Globe. He stated that a few weeks ago Sanders Drive was accepted into the County Road Maintenance System under the Country Dirt Road Policy. Mr. Stratton stated that since that time he has removed the ‘Slow, Children Playing’ sign. He advised that a survey was conducted three years ago by the Arizona Counties Insurance Pool (ACIP), at which time certain recommendations were made that non-standard signs be removed from County-maintained roads. This particular sign was a non-standard sign and if left in place it could cause a potential liability to the County. Mr. Stratton stated that since he removed the sign, he has received phone calls and had a discussion with Supervisor Dawson about the sign. He stated that comments have been made that this was done for political or personal reasons, so he requested this item be placed on the agenda to apprise the Board of the reason for the removal of the sign. He then introduced Bill Hardy, ACIP Executive Director, who has been in that position for almost fifteen years. Mr. Hardy stated that ACIP was formed in 1988-89 to insure counties and serve as a catalyst to reduce potential liabilities. He explained that the Pool is comprised of eleven of the fifteen counties in Arizona. He stated that in the last five years, the Gila County Public Works Division has greatly improved in professionalism and energy demonstrated by the staff bringing County roads up to date. Mr. Hardy stated that when talking about the signage of roads, the key is the Manual for Uniform Traffic Control Devices (MUTCD). This Manual has evolved over the past thirty years with the federal government sponsoring and allocating a lot of money to bring in experts to do an annual review of the signage, as it is the most important issue for making the nation’s roads safe. He stated that one of the key areas to ensure safe roadways is to not place a lot of warning signs because people tend to become “oblivious” to them. Mr. Hardy advised that the placement of warning signs should be a location that has been adopted by MUTCD to ensure this is the standard used everywhere, as well as the standard held to in a court of law.

He cited several reasons for not putting up a ‘Slow, Children at Play’ sign which included being unnecessary; giving parents a false sense of security; misinterpretation by children into thinking the road is a playground area; the request by other parents in neighboring streets to have signs placed in their area until there are so many signs that they become ineffective; and, liability issues because almost thirty percent of lawsuits against Public Works Divisions are because of signage. Mr. Hardy stated that because of the amount of money counties have expended on lawsuits, ACIP participating counties conducted a road survey whereby civil and sign engineers drove every main road in each county to decide which signs should remain or be removed. This occurred three to four years ago, and since the counties have implemented this in the past two years, there have been no major lawsuits. He advised that maintenance of inappropriate signs also takes away from a county utilizing those funds for other purposes. Signs are expensive to maintain, and a county becomes liable once a sign is down until it is replaced. Mr. Hardy stated that if the counties don’t abide by regulations outlined in the MUTCD, then problems will begin to occur. In conclusion Mr. Hardy stated, *“I’m just here to ask you to recognize the problems and that \$1 million was spent on the road survey for good purposes. The roads are safer now, and we don’t want to start backsliding on what we’ve done.”* Supervisor Dawson stated that this has gone much farther than necessary. She stated that the sign was a City of Globe sign and her concern was the County taking down the City’s sign, although the Board recently accepted the subject road as a Country Dirt Road. Supervisor Dawson advised that she is well aware of the importance of the MUTCD, and that the MUTCD regulations must be followed by the County. Vice-Chairman Martin stated that she appreciated Mr. Hardy giving her the language needed and rationale for dealing with these issues. Supervisor Dawson stated that she didn’t think this agenda item needed any action by the Board. Mr. Stratton stated that he had some additional comments to make. He wanted it noted for the record that he did return the sign to the City of Globe. For the future, Mr.

Stratton advised that County policies and procedures should be changed for all County roads including Country Dirt Roads, Primitive Roads, and County Highways to state that these roads will conform to County standards or they will not be in the County Road Maintenance System, and the County will relinquish any easements obtained. Mr. Stratton stated that Mike Golden, Sign Shop Foreman, will drive all of the roads in the County and advise in the future of any signs to be removed or added, so there will be no surprises to the citizens. He also stated that those roads already accepted into the County Road Maintenance System should conform to County standards or the County should vacate the easements back to the residents, placing the liability on the residents. Bryan Chambers, 2nd Chief Deputy County Attorney, noted that Mr. Stratton's additional recommendation for roads already in the County Road Maintenance System is not on the agenda and would have to come back to the Board as a request for a policy change. Chairman Sanchez agreed that the motion should only pertain to action on the 'Slow, Children Playing' signs. Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board unanimously voted that the signage on Sanders Drive needs to conform to County standards.

Steve Besich requested the approval of an Attorney Fee Proposal with David Kennedy, Attorney at Law, for water issues affecting Gila County. Mr. Besich stated that this Proposal has been revised, reviewed and approved by the County Attorney's Office. Vice-Chairman Martin stated originally this Proposal pertained to Star Valley water issues; however, Mr. Kennedy has been asked to broaden the scope of work to include water issues throughout Gila County. She stated the contract the Board discussed at last week's meeting was a Consulting Agreement, but the current contract is now an Attorney Fee Proposal. Supervisor Dawson inquired about setting parameters for the scope of work being performed by Mr. Kennedy, and questioned the method in which the Board will be apprised of the work being performed by Mr. Kennedy. Chairman Sanchez replied that it is his understanding that Mr. Kennedy will

do what he's asked of the Board and at the pleasure of the Board. Mr. Besich stated that when Mr. Kennedy passes information to one Board member, it will be Mr. Besich's responsibility to pass that same information to the other two Supervisors so that the Open Meeting Law is not violated. Chairman Sanchez inquired if Mr. Chambers had any problems with the language in the Attorney Fee Proposal. Mr. Chambers stated that he would note that the Attorney Fee Proposal could be terminated at any time. He also noted that if the Board so chooses, language could be added to the Proposal which states that a particular number of hours may not be exceeded. Another option would be for the Board to review the amount billed after the first invoice has been submitted or after a period of six months. Chairman Sanchez stated that the Proposal also provides for Mr. Kennedy's right to withdraw from the engagement at any time upon reasonable notice. Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously approved the Attorney Fee Proposal with David Kennedy.

Vice-Chairman Martin requested the approval of a Lease Use Agreement between Gila County and the Pine-Strawberry Horseman's Association, a non-profit organization, to allow the use of the Mary Ellen Randall Arena for a period of five years. She stated that she has been working on the Agreement with Mr. Chambers for several months. The arena sits on the County grounds in Pine. In the past, the County had an agreement with the 4-H Group for use of this arena and facility and also for the animal portion of the Pine Fair. She stated that last year the University of Arizona's attorney reviewed the Agreement and decided that before renewing the Agreement he wanted to fundamentally change the contract, which did not serve anyone's best interest. Vice-Chairman Martin stated there was a liability question and the University wanted to hold liability to a minimum because of 4-H involvement. She stated that the practice has been that the Strawberry Horseman's Association has managed and maintained the arena for the last 25 years, but the agreement with Gila County was actually with the 4-H Group. As the Fair has now moved

to Payson, the Pine-Strawberry Horseman's Association wishes to continue to maintain the arena. They are a non-profit organization and will continue to allow 4-H to use the arena, with a minimum charge to the people who belong to the Horsemen's Association to pay for the \$3 million liability policy, which the County has requested. Vice-Chairman Martin stated that this Agreement formalizes what the County has been doing for a number of years and that Mr. Chambers has approved the Agreement. Upon motion by Vice-Chairman Martin, seconded by Supervisor Dawson, the Board unanimously approved the Lease Use Agreement with the Pine-Strawberry Horseman's Association.

Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously agreed to move Consent Agenda item number 15-I (approval of finance reports/demands/transfers for the week of May 23, 2005) to the Regular Agenda. Supervisor Dawson stated, *"As you know there's been some question about my business called Fly-A-Way Travel. During the past four and one-half months at various times Supervisor Martin and I have talked about problems and how we conduct our business here."* At this time Chairman Sanchez interrupted to state that the agenda item is for the approval of the finance reports/demands/transfers for the current week. Supervisor Dawson asked if she could explain. She stated, *"Mr. Chambers, I cannot vote on this item because I am under investigation by your office for inappropriately voting on this item in the past. I feel the public has a right to hear it here rather than by the chain that it goes under, and so that's why I've asked to make a statement about what took place."* Mr. Chambers then asked, *"Are you saying that there is an (agenda) item in 'I' that would affect Fly-A-Way Travel so you're disclosing that as a conflict?"* Supervisor Dawson replied, *"What has happened in the past and what has happened today is we are asked to approve finance reports which are not presented to us. Have either of you seen a payment form today?"* Vice-Chairman Martin stated, *"I haven't yet."* Supervisor Dawson stated, *"I haven't either and we normally, in this meeting, approve paying the bills. We don't specifically approve paying Fly-A-Way Travel. We approve paying from the*

General Fund, from the Sheriff's Office, from whomever." Chairman Sanchez questioned, *"Don't you normally review those, Supervisor?"* Supervisor Dawson replied, *"I have tried to, but I don't get a chance to always and I certainly don't see every bill in Gila County. I try to generally understand what it is we're spending the County's money on. Because I'm an owner, and not a manager, of Fly-A-Way Travel, and because Gila County has done a minimal amount of business with—and I have no knowledge of the business that was done other than my travel to Washington D.C. and I followed the standard procedure that I was told to follow and what my statement was about was a request that we establish some procedures that help each one of us. Anyway I can't vote on the finances. I don't know what's in the Finance Report, just as we haven't known many times in the past."* Upon motion by Vice-Chairman Martin, seconded by Chairman Sanchez, the Board approved Consent Agenda item 15-I (as noted above) by a 2-1 vote. Supervisor Dawson abstained from voting.

Upon motion by Supervisor Dawson, seconded by Vice-Chairman Martin, the Board unanimously approved Consent Agenda items A-H. The Consent Agenda items approved are as follows:

- A. Adopted Resolution No. 05-05-06 authorizing the adoption of the Housing Services Program Guidelines dated April 22, 2005, which encompasses all activities in the Housing Department except the Section Eight Housing Choice Voucher Program. **(A copy of the Resolution is permanently on file in the Board of Supervisors' office.)**
- B. Adopted Resolution No. 05-05-05 authorizing the renewal of Gila County's membership in the Arizona Local Government Employee Benefit Trust and appointing trustees to serve during the renewal period of July 1, 2005, through June 30, 2008. **(A copy of the Resolution is permanently on file in the Board of Supervisors' office.)**
- C. Authorized the Chairman's signature on Bank of America Municipal Lease Agreement and Digital Imaging System Maintenance Agreement for one

Panasonic copy machine for a period of 36 months, to be used by the Public Fiduciary Department.

- D. Authorized the Chairman's signature on Bank of America Municipal Lease Agreement and Digital Imaging System Maintenance Agreement for one Panasonic copy machine for a period of 36 months, to be used by the Purchasing Department.
- E. Approved Amendment No. 2 to Contract No. HG461043 between the Arizona Department of Health Services, County Prenatal Block Grant, and Gila County Health and Community Services Division to continue said program from July 1, 2005, to June 30, 2006.
- F. Approved a request by Christine Rocha to rent the Fairgrounds Exhibit Hall on August 27, 2005, for a wedding reception.
- G. Approved the April 2005 monthly departmental activity reports submitted by the Clerk of the Superior Court, the Gila County Recorder, and the Payson Regional Justice Court.
- H. Approved personnel reports/actions for the week of May 23, 2005, as follows:

May 23, 2005:

Temporary Hire to County Service:

- 1. REPAC Training Specialist V – Community Services – 05-16-05 – Grant Fund - DeeJaye Poarch

Position Review:

- 2. Request leave of absence without pay – Training Specialist V – Community Services – 05-10-05 – Grant Fund – Freddie Denogean – not to exceed 6 months

- I. Approved the finance reports/demands/transfers for the week of May 23, 2005, as follows:

May 23, 2005:

\$1,009,474.81 was disbursed for County expenses by voucher numbers X145185 through X145270, X368051 through X368225, X368227 through

X368363, X368365 through X368380, and X368382. The hand-issued warrant listing is as follows: voucher number X368364 and X145015 in the amount of \$12,500.00.

At this time each Board member and the Chief Administrator were presented the opportunity to give a brief summary of current events as allowed by A.R.S. §38-431.02(K).

There being no further business to come before the Board, Chairman Sanchez adjourned the meeting at 12:25 p.m.

Jose M. Sanchez, Chairman

ATTEST:

Steven L. Besich, County Manager/Clerk